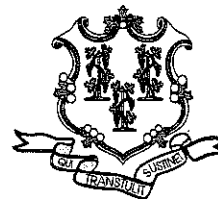




STATE OF CONNECTICUT
DEPARTMENT OF CHILDREN AND FAMILIES



Testimony of
Commissioner Joette Katz
Appropriations Committee
February 17, 2012

Good afternoon Senator Harp, Representative Walker, and distinguished members of the Appropriations Committee. My name is Joette Katz and I am the Commissioner of the Department of Children and Families. With me today are various members of the Department who are here to assist me in answering questions that members of the committee may have today.

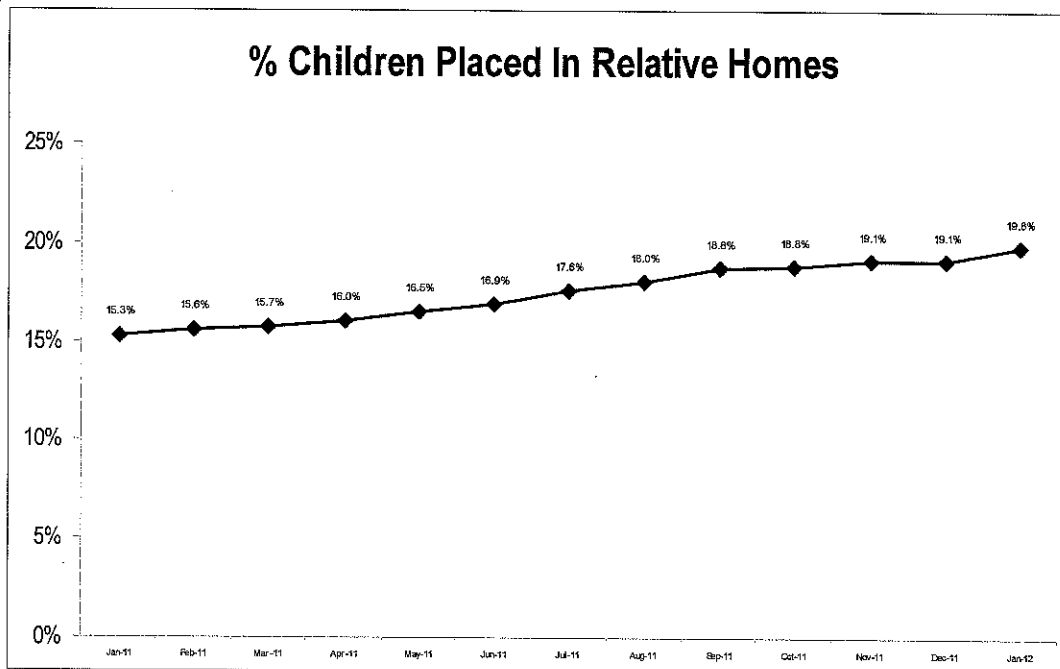
Thank you for the opportunity to speak with you regarding the Governor's proposed budget adjustments for fiscal year 2013 for the Department of Children and Families. As I reflect back over my first year in the post of Commissioner of DCF, I am proud to say that the Department has made great strides in improving the services we provide the children and families in the state of Connecticut. We identified areas of practice improvement and have made progress in moving those initiatives forward, including:

- over 1,000 staff have been trained in Partners in Change, Family Centered Assessment and Purposeful Visits, which are the foundation of the Strengthening Families Practice Model;
- final preparations for Differential Response are underway, community partner agencies contracts have been awarded and we expect to implement DRS next month;
- implemented recommendations from the report *The Future of Riverview Hospital for Children and Youth: Ten Steps Forward* to consolidate administrative operations of Riverview Hospital and Connecticut Children's Place (to be renamed Solnit Center - North and South campuses);
- announced visits are being used with families whenever possible;
- congregate care rightsizing has begun and we have seen significant reductions in the number of young children placed in congregate care settings and the number children placed out-of-state;
- more children are placed in family settings and we have begun to implement additional supports to foster families as outlined in the *We All Need Somebody: Supporting Children, Families and the Workforce in Connecticut's Family Foster Care System* report;
- the Community-Based Services Outcomes Workgroup has begun to develop expected outcomes for in-home services and has gathered staff input on the effectiveness of many service types. The current focus of the workgroup's attention is on improving program oversight and quality improvement for contracted programs, with a special emphasis on the development of meaningful program outcomes consistent with the principles of Results Based Accountability;

- each region has developed a strategic plan to continue to improve case planning practice, with the goal of achieving better outcomes for the children and families we serve;
- the Department obtained a 5-year, \$3.2 million federal grant from the Administration for Children and Families to create a more trauma-informed system of child welfare practice. The grant will assist in better preparing our workforce to identify and support traumatized children and expand the availability of trauma specific services within our community partner agencies.

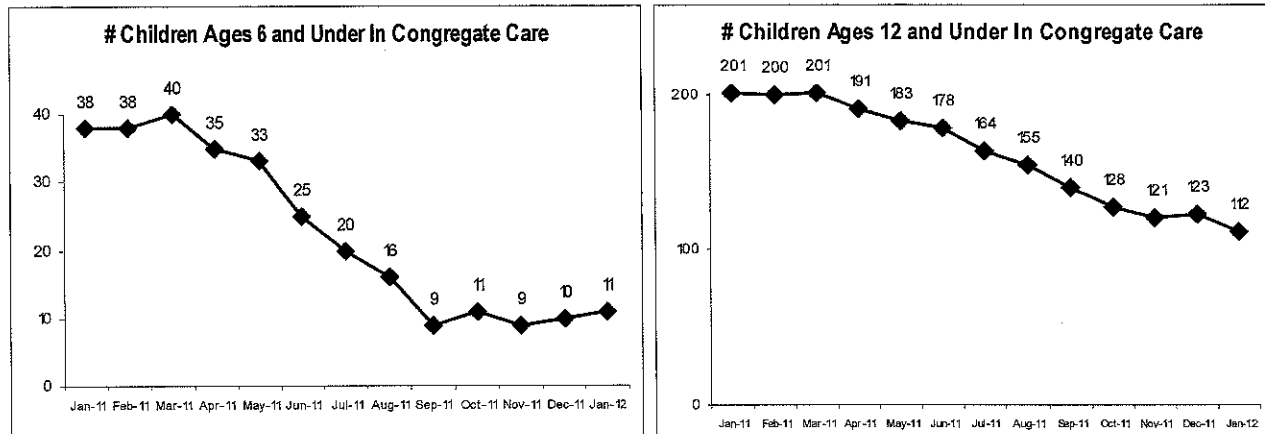
These significant changes have begun to yield positive results for our children and families. For example, families and staff report the practice of announced home visits is helping us establish a more respectful relationship at the point of our initial contact with families. Our staff also report it is helping them to plan their visits more effectively, often ensuring all family members will be present and engaged when we visit.

As a result of some of these changes, we have seen a significant increase in the percentage of children placed with their relatives and kin. Relative placements have increase from 15.3% of all of our placements in January 2011 to 19.8% in January 2012. This increase is due in large part to focused effort on the part of our area office staff in identifying relatives and ensuring that initial placements are with relatives and kin whenever possible. To develop an understanding regarding the strengths and barriers to identifying, assessing, and supporting relatives, the Department, in partnership with the Child Welfare Strategy Group and the Annie E. Casey Foundation, have utilized a Kinship Process Mapping model. This model is a system for capturing the necessary level of detail to explain a process or identify problems. The process has been completed in four regions and will be fully implemented in the other two regions next month.

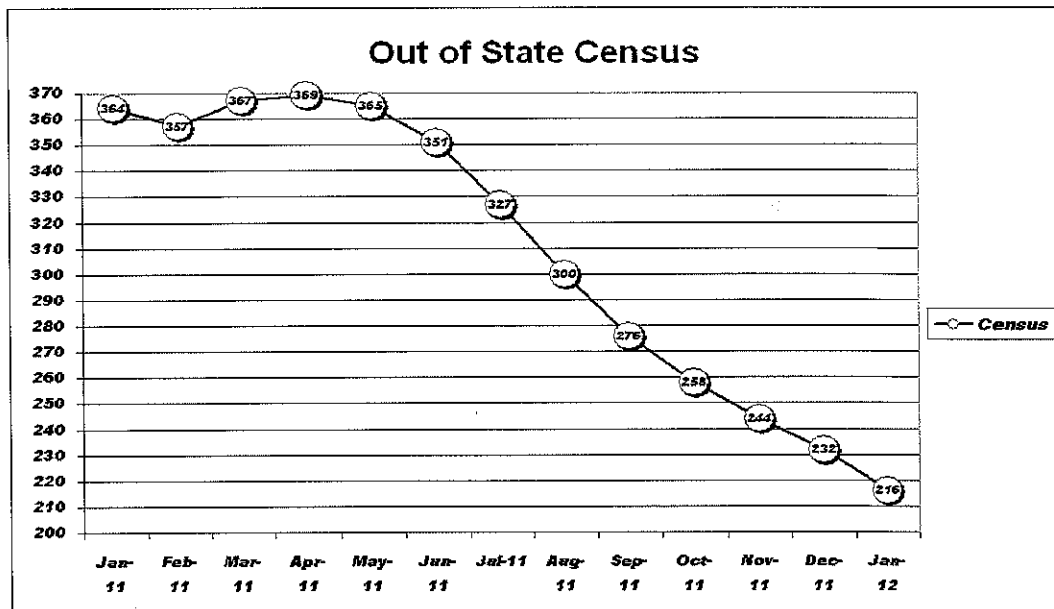


The Department has also worked to reduce the percentage of children placed in congregate care settings. Over the past year, we have decreased the number of children ages six and under in congregate care settings from 38 in January 2011 to 11 in January 2012. The number of children

ages 12 and under in congregate care also has decreased from 201 in January 2011 to 112 in January 2012.



In addition to focusing on reducing the use of congregate care settings for young children, we also have been reducing the number of children in out-of-state placements. Out-of-state placements have decreased by over 41%, from 364 in January 2011 to 216 in January 2012.



While these statistics are positive indicators of the changes we have put in place, there are still many challenges that must be addressed in the coming year. For example, there are still too many children with long lengths of stay in temporary settings such as Safe Homes and STAR homes. Currently, 46% of the children and youth in temporary settings have been there for longer than the expected 90-day length of stay. We must work together to ensure these children transition to safe, appropriate and stable placements that meet their needs.

There are also many challenges associated with the implementation of the Department's Strengthening Families Practice Model, increased focus on relative placements and reductions in the use of congregate care. For example, our ability to place children with relatives is limited by the lack of community-based services in some areas to support the placements. Our foster care

staff are also challenged to support relatives who are taking in their kin with little prior warning and who haven't yet received the training available to non-relative caregivers. Over the next year, the services and supports we provide to relative caregivers must be expanded in order to ensure the success of these placements.

The service array also presents challenges that must be addressed. There is a lack of in-state placement options for some children and youth and a need for additional community-based services. While the number of out-of-state placements has been reduced significantly, the Department struggles to find appropriate placements for some youth with problem sexual behaviors and other complex behavioral health needs. This has impacted youth who require new placements as well as young people returning to Connecticut from out-of-state. We have already begun work with some of our in-state providers to create a system of stable and appropriate placements and services to meet these youth's needs closer to home. We further hope that with a new RFP, we will be able to help other providers retool to accommodate these children.

The Department has embraced the Results Based Accountability model. We have learned a great deal from participating in this process. We can credit the RBA processing with helping us measure our success and helping us inform the changes the Department is making. We are examining enhancements to our IT infrastructure and data collection capabilities to be able to further the Department's RBA activities. This will allow us to have a more flexible, responsive system that supports our business and allows us to evaluate our progress.

In assessing the impact of the SFY 13 budget, the Department finds itself in a unique and fortunate position. The transition to providing better services to the children and families in our state will move us from reliance on the most expensive service models of care to less expensive service models. The first stage of our conversion has caused us to realize significant savings in our board and care accounts. Seldom do we find ourselves in a position that acquiring the best care available can be delivered at a lower cost. Implementing both principles of keeping children in the home when possible and providing care in the most family-like setting will ultimately result in better long-term results for children and reduced costs. Continuing to make this shift in treatment, however, will require building a network of family-based types of services in state. This will require that we invest in building that service infrastructure.

The Department shifted its business model and has reaped savings that should be used to invest in our next stage of development and change. These changes ideally will allow us to keep even more children in the community where they can be best served and have the best long-term results. The Governor's FY 13 budget reflects these savings.

The largest savings to the Department's budget is in the Board and Care accounts in the amount of approximately \$30 million. Included in this reduction is the closure of two group homes and the restructuring of Safe Home beds, saving approximately \$6 million. The Department's decision to reduce the use of congregate care settings for children under the age of 12 has resulted in unused capacity in these settings. The Department will take this opportunity to assess the need for these services and how we might use these resources in the future to move forward the Department's initiatives.

The balance of the reductions are spread over the Adoption, Foster Care and Residential accounts, with the Residential account representing the largest portion of the reduction at approximately \$17 million. The savings in the residential account have been achieved through several new service approaches, but most significantly from the decision to reduce out-of-state placements and to move children to the least restrictive setting possible that can best meet the child's treatment needs. Although the Department believes we will continue to see improvement in these areas, it is important to acknowledge that we will be challenged to achieve our next step in this process. We will need to be able to assist the non-profit provider community in re-tooling the current in state network to be able to serve the children who are still being sent out-of-state. This will require the training and recruiting of employees to meet the higher service level intensity and the need to equip the facilities properly. We want to stop using out-of-state placements, and when a residential stay is required, we want our children served in state. Serving children in state allows the family to be part of the child's treatment, which leads to more successful outcomes, shorter lengths of stay, and timely reunification with the family. This will create opportunities for our in-state providers to train and assemble a workforce with an increased skill level and expertise.

Additionally the Department will need to recruit, train and support foster families to care for our children that have historically been treated in a congregate care setting. Building this network of foster families will benefit the children by allowing them to thrive and meet our ultimate goal of becoming healthy adults. We hope to issue a new RFP to serve some of those more challenging children in a new model of foster care that I have personally examined in a sister state. This model is a no eject/no reject arrangement that provides 24/7 supports to those families who are taking children who might otherwise have been placed in congregate settings. Finally, the department will need to refine and expand its array of community-based services in order to reduce the demand for out-of-home care and support those children who have been returned to the community.

The next largest reduction in the Department's budget is in the Personal Services account. The Department has been able to reduce personal services by more than \$22.6 million. This has been achieved through the monitoring of caseloads, the elimination of non-direct care positions and the annualization of the FY 12 SEBAC savings, including the wage freeze. The Department has also instituted stronger procedures for the monitoring of overtime and implemented a process for approval. The Department assesses several factors including necessity, safety, and revenue generating activities when approving the use of overtime.

The Department's budget indicates three reductions that represent transfers from DCF to other Departments. The first is the transfer of funds supplied by DCF to Office of the Attorney General for staffing expenses for services provided to DCF and the second is the transfer of funds used for housing vouchers that will now be centrally managed by DECD statewide. The third is the transfer of funds to the Office of Health Care Advocate for a staff person dedicated to DCF voluntary services cases with private insurance.

The last significant savings is in the area of Individualized Family Supports. This will be realized by putting in place guidelines and structure to ensure that these services are provided by qualified staff with specific outcomes from treatment, accessing insurance benefits when possible or acquiring the services at a reasonable market price when insurance benefits do not

cover the necessary services. We believe the children and families receiving these services will benefit by achieving better outcomes, having services targeted in a effective and efficient way, rather than providing services that only maintain the current level of functioning.

The Department is also implementing initiatives in this budget to reduce operating expenses by implementing plans to improve efficiencies and the assessment of resources for necessity. The Department continually assesses its operations and researches other entities where efficiencies have been achieved in other operations.

Finally, a brief update on the *Juan F. Consent Decree*. Significant challenges remain in relation to Outcome Measures 3 (Treatment Planning) and 15 (Children's Needs Met). Accordingly, we have established concrete plans and action steps to address them, particularly in relation to developing effective case plans, which is a keystone of the new Strengthening Families practice model. Earlier this year, the Department, Court Monitor and the plaintiffs jointly agreed to begin a random, unannounced review of case plans. This agreement was reached to give us a clear picture of the areas in case planning that required improvement. Based on this information, and on data from the Administrative Case Review Division, each DCF region was tasked with developing strategic plans to target the specific areas in case planning that required improvement in each office. The plans are being implemented and have shown some early success, with many offices showing improvement in both our internal data and in the Court Monitor's random case review.

As we move forward with our initiatives, we are focused on creating an agency that is a learning and transparent organization. Areas of collaborative work include the agency-wide adoption of a framework based on strengthening families, making community connections, expanding access to multi-disciplinary teaming and trauma informed practice. There also will be renewed attention to gender and cultural responsiveness. While there is a great deal of difficult work to be done, much has occurred during this year to support the view that Connecticut can be a national model for success. I want to take this opportunity to thank our staff and our many partners, including families and private service providers, for tireless efforts to move us forward. So much work remains -- but by joining together we are prepared to fundamentally improve how Connecticut serves children and families. Every Connecticut citizen will benefit from this transformation.

This concludes my testimony. I hope this information is helpful, and I look forward to our continued work together this session related to the budget, legislation, and other topics of interest to us both. At this time, I am happy to answer any questions you may have.